

CHAPTER 523
TRUCK OPERATORS AND CONTRACT CARRIERS

[Transferred from IDR 1973, Commerce Commission, Ch 3, 7/1/75]
[Prior to 6/3/87, Transportation Department[820]—(07,F) Ch 3]

761—523.1(327) General information.

523.1(1) Rescinded, effective 7/8/87.

523.1(2) *Waiver or suspension of rules.* The adoption of these rules shall in no way preclude the department from altering or amending them, pursuant to statute. These rules shall in no way relieve any carrier from any of its duties under the laws of this state. The department may at its discretion, on its own motion or upon request for good cause shown, suspend or waive any of the rules.

523.1(3) *Person defined.* The word “person” includes any individual, firm, copartnership, joint venture, association, corporation, estate, trust, business trust, receiver or any other group or combination acting as a unit and the plural as well as the singular number.

523.1(4) *Extension of authority and commodities.* A like commodity shall not be transported under a truck operator permit and a contract carrier permit which is held by the same person.

a. A motor carrier holding a certificate of convenience and necessity as defined in Iowa Code chapter 325, and a regular route common carrier as defined in 49 U.S.C. 10102(4) of the Interstate Commerce Act, who also holds a truck operator permit, shall not use this permit as a means to extend the carrier’s motor carrier or interstate common carrier authority, nor shall the carrier use the truck operator permit to operate to or from any point covered under the carrier’s authority.

b. A holder of a truck operator permit or contract carrier permit shall not use the permit to offer motor carrier service as defined in Iowa Code chapter 325, provided that nothing contained in this rule shall prevent a truck operator from providing drayage service on behalf of a motor carrier within the confines of the city or town which the motor carrier is authorized to serve.

c. Under contract carrier authority granted by the department, a contract carrier shall not engage in the business of transporting general commodities and shall be restricted to the transportation of property by motor truck under individual written contracts which provide special and individual services required by the needs of a particular shipper as prescribed by Iowa Code section 327.1.

523.1(5) Rescinded, effective 7/19/85.

761—523.2(327) Applications and filings.

523.2(1) *Application.* Application for a permit to operate as a truck operator or contract carrier shall be made to the Office of Motor Carrier Services, Iowa Department of Transportation, Park Fair Mall, 100 Euclid Avenue, P.O. Box 10382, Des Moines, Iowa 50306-0382, on forms prescribed for that purpose and furnished upon request.

523.2(2) *Attachments to truck operator application.* An application for a truck operator permit must be accompanied by:

a. Liability, property damage and cargo certificates of insurance or surety bond in accordance with Iowa Code section 327.15.

b. One copy of tariff. If the tariff is not submitted by the applicant, a power of attorney must be included for the person who submits the tariff. (Carriers transporting unprocessed agricultural and horticultural products and livestock are exempt from tariff filing requirements.)

c. The annual permit fee as provided in subrule 523.2(5).

523.2(3) *Attachments to contract carrier application.* Application for a contract carrier permit must be accompanied by:

a. Liability and property damage certificates of insurance or surety bond in accordance with Iowa Code section 327.15. There is no requirement for cargo insurance.

b. Three copies of each transportation contract which the applicant has entered into except that no copies of contracts need to be filed by farm-to-market milk and cream haulers or bank courier and ar-

mored car services. A contract shall be defined as set out in Iowa Code section 327.1. This paragraph shall not be applicable to applications made under the provisions of Iowa Code section 327.23.

- c. Annual permit fee as provided in subrule 523.2(5).
- d. An affidavit by the applicant showing dedication of equipment to the shipper.
- e. An affidavit by the shipper showing the peculiar needs of a shipper requiring contract carrier service.

523.2(4) *Filing of contracts other than with application.* Whenever a contract carrier enters into a new transportation contract after having been issued a permit, the carrier shall file three copies of the new contract and affidavits of dedication and peculiar needs as referred to in paragraphs 523.2(3) “d” and 523.2(3) “e” with the department before transporting any property for the shipper. Every contract carrier operating under a permit issued by the department shall file with the department three copies of each transportation contract under which the contract carrier is operating. (This rule does not apply to contract carriers operating under the provisions of Iowa Code section 327.23 nor to farm-to-market milk and cream haulers.)

523.2(5) *Annual permit fee.* Payment of equipment fee(s) in the amount of \$5 for each straight truck and \$10 for each road tractor or truck tractor described on the form shall be attached to the permit application. Equipment fee receipt(s) shall be issued to each vehicle described. Receipt(s) shall be effective on and from the date the permit is issued until December 31 of the registration year which is January 1 to December 31. Annual equipment fee(s) shall be due and payable on January 1 of the registration year. Check or money order for payment of equipment fee(s) shall be made payable and remitted to the Iowa department of transportation.

523.2(6) *Equipment changes or additions.* Before a permit holder places additional vehicles into service, the permit holder must furnish the department a description of the motor vehicle on a form prescribed by the department and shall include the year the vehicle was built, make of vehicle, type of vehicle and serial number. Upon payment of the equipment fee in the amount of \$5 for each straight truck and \$10 for each road tractor or truck tractor, the department shall issue an equipment fee receipt which shall be effective from date of issuance and shall expire on December 31 of the current registration year. If an equipment fee has been paid on a vehicle by a permit holder, and that vehicle is sold or transferred to another permit holder, the new owner shall so notify the department and shall purchase a new fee receipt(s). The renewal equipment fee shall be due and payable on January 1 of the current registration year.

523.2(7) *Fee receipt.* The holder of a permit shall be furnished a receipt for each permit fee paid. The receipt shall be carried with the vehicle at all times. Any vehicle requiring a duplicate fee receipt, which is a matter of record, will be reissued a receipt for one-half the original cost of the regulatory equipment fee.

523.2(8) Reserved.

523.2(9) *Transfer of permit.* A truck operator permit or a contract carrier permit may be transferred if the transferee does not hold a like permit. Application for the department’s approval of proposed sale or transfer of a permit must be filed with the department on forms prescribed and furnished by the department, signed and sworn to by all parties. Insurance prescribed by law must be filed by transferee (see Iowa Code section 327.15). The permit fee for new equipment and payment(s) for existing equipment to be operated by the transferee must accompany the application. The department shall not approve a transfer of the operator’s permit until the transferee has complied with subrules 523.4(1) and 523.8(1). (523.8(1) does not apply to contract carriers.)

This rule is intended to implement Iowa Code section 327.9.

761—523.3(325,327) Marking of motor vehicles.

523.3(1) *Manner of marking motor vehicles.* “Motor vehicle” is defined in Iowa Code section 321.1. Before placing any motor vehicle in service there shall be painted on each side of the motor vehicle and on the headboards, if appropriate, or on some suitable material securely placed on each side

of the motor vehicle, in letters and figures large enough to be easily read at a distance of 50 feet and in a color in contrast to the background, the following:

- a. Name of truck operator or contract carrier under whose authority equipment is being operated;
- b. Address of truck operator or contract carrier (city and state); and
- c. Ia. D.O.T.
(Permit Number)

523.3(2) and 523.3(3) Rescinded, effective 12/17/80.

This rule is intended to implement Iowa Code sections 325.31 and 327.19.

761—523.4(327) Insurance—suspension.

523.4(1) Insurance. Each truck operator or contract carrier shall at all times maintain on file with the department effective certificate(s) of insurance or surety bond on a form prescribed by the department.

- a. The required or applicable endorsements shall be attached to certificates of insurance.
- b. Thirty days' prior written notice shall be given the department of the cancellation of insurance, surety bond, or specific insurance coverage.

523.4(2) Suspension. If a truck operator or contract carrier fails to have the required insurance on file with the department or fails to pay the required annual fee for each motor vehicle, the department may suspend the permit. The suspension shall remain in effect until the requirements are met. The suspended operator or carrier may request a hearing by submitting a written request to the director of the office of motor carrier services.

761—523.5(327) Bills of lading or freight receipts.

523.5(1) Every truck operator except for those carriers transporting unprocessed agricultural and horticultural products and livestock shall issue a bill of lading or receipt in triplicate on the date freight is received for shipment, and the bill of lading or receipt shall show the following:

- a. Name of truck operator.
- b. Date and place received.
- c. Name of consignor.
- d. Name of consignee.
- e. Destination.
- f. Description of shipment.
- g. Signature of truck operator or agent issuing the bill of lading or receipt.
- h. That the charges for transportation of the articles listed on the bill of lading or receipt are subject to the tariff and classifications in effect and on file with the Iowa department of transportation on the date transportation of the shipment begins.
- i. Freight described in apparent good order unless an exception is noted.

523.5(2) Bills of lading or receipts shall be numbered consecutively; there shall be one copy for the consignor, one for the consignee and one to be kept by the truck operator. Operator's copy shall be carried with the cargo and shall show total of all charges made for the movement of freight and shall be kept by the operator for a period of not less than one year, subject to inspection by department representatives at any reasonable time.

This rule is intended to implement Iowa Code section 327.2.

761—523.6(327) Lease of equipment.

523.6(1) Lease defined. Lease, for the purpose of these rules, means a written document providing for the exclusive possession, control and responsibility over the operation of the vehicle or vehicles by the lessee for a specific period of time as if the lessee were the owner. A copy of the lease must be carried in the leased equipment at all times.

523.6(2) *Number.* No truck operator or contract carrier may have more than one lease covering a specific piece of equipment in effect at a given time.

523.6(3) *Lease of vehicles to shippers or receivers.* No truck operator or contract carrier shall lease vehicles with or without drivers to shippers or receivers.

523.6(4) *Identification of equipment.* Each lessee shall properly identify each piece of equipment during the period of the lease as specified in rule 523.3(327).

523.6(5) *Conditions.* Any lease of equipment by any truck operator or contract carrier except under the following conditions is prohibited:

a. Every lease must be in writing and signed by the parties thereto or their regular employees or agents duly authorized to act for them.

b. Every lease shall specify the time the lease begins and the time or circumstances on which it ends.

c. Every lease shall set out the specific consideration or method of determining compensation.

d. Every lease shall provide for the exclusive possession, control and use of the equipment and for the complete assumption of responsibility in respect thereto by the lessee for the duration of the lease.

761—523.7(327) *Complaints.* Complaints against truck operators submitted under Iowa Code section 327C.25 or 327D.89 shall be submitted to the office of motor carrier services at the address in subrule 523.2(1).

This rule is intended to implement Iowa Code sections 327.2 and 327.16.

761—523.8(327) *Tariffs.*

523.8(1) *Requirements.* All truck operators shall maintain on file with the office of motor carrier services a tariff stating the rates and charges that apply for the services performed under the permit. When class rates are assessed naming a classification, the ratings must apply in connection with the rates named in each carrier's tariff. Rates and charges to be applied to movements of household goods transported in closed body, van-type equipment shall be according to the office of motor carrier services' household goods tariff No. 14 and supplements hereto. All tariffs and classifications must conform to the following rules except as otherwise authorized by the office of motor carrier services.

523.8(2) *Printing.* All tariffs and amendments or supplements thereto must be in book, pamphlet or looseleaf form of size 8 × 11 inches. They must be plainly printed, or reproduced by a durable process on good quality paper. No alteration in writing or erasure shall be made in any tariff or supplement thereto. A margin of not less than five-eighths inch, without any printing thereon must be allowed at the binding edge of each tariff and supplement.

523.8(3) *Filing date.* All changes to tariffs and supplements must be filed with the office of motor carrier services and posted in a conspicuous place at the operator's principal place of business at least seven days prior to the effective date, unless otherwise authorized by the office of motor carrier services. Tariffs, supplements or adoption notices issued in connection with applications for truck operator permits, or the transfer of permits from one truck operator to another, may become effective on a date not earlier than the date permits are issued or transferred. Any new tariff shall be effective on the date specified on the permit issued by the office of motor carrier services.

523.8(4) *Copy to department.* Issuing truck operators or their agents shall transmit to the department one copy of each tariff, supplement or revised page. Each copy shall be included on one package accompanied by a letter of transmittal listing all tariffs enclosed and addressed to the office of motor carrier services at the address in subrule 523.2(1). All postage or express must be prepaid.

523.8(5) *Title page.* The title page of every tariff and supplement shall show in the order named:

a. Each tariff shall be numbered in upper right-hand corner, beginning with number 1. Such number shall be shown as follows: 1a. D.O.T. No.

When tariffs are issued canceling a tariff or tariffs previously filed, the Ia. D.O.T. number or numbers that have been canceled must be shown in the upper right-hand corner under the Ia. D.O.T. number of the new tariff.

b. Supplements to a tariff in addition to showing the Ia. D.O.T. number of the tariff amended thereby shall be numbered beginning with number 1, and such information shall be shown in the upper right-hand corner. Supplements shall also show in the upper right-hand corner the number of any previous supplements canceled thereby and also the numbers of the supplements containing all changes made in the tariff.

c. The name of each truck operator must be the same as that appearing in its permit. If the truck operator is not a corporation and a trade name is used, the name of the individual or partners must precede the trade name.

d. A brief description of the territory in which, or points from and to which the tariff applies.

e. Date of issue and date effective.

f. Name, title and street address of truck operator or agent by whom the tariff is issued.

523.8(6) *Contents of tariff.* Each tariff shall contain in the order named:

a. Table of contents arranged alphabetically showing the number of the page on which each subject may be found. If a tariff contains so small a volume of matter that its title page or interior arrangement plainly indicates its contents, the table of contents may be omitted.

b. A complete index of all commodities on which specific rates are named therein, together with reference to the page or items in which they are shown. No index need be shown in tariffs of less than five pages or if the rates are alphabetically arranged by commodities.

c. Explanation of all abbreviations, symbols and reference marks used in the tariff.

d. When a tariff names rates by classes, a classification of articles must be published in the tariff or in a separate tariff. When a classification is published in a separate tariff, reference must be made thereto on the title page of the rate tariff as follows:

“Governed, except as otherwise provided herein, by the (here name) classification (showing issuing agent) Ia. D.O.T. No. supplements to or successive issues thereof.”

All truck operators shown as participating carriers in a rate tariff which is governed by a separate classification must be named as participating carriers in such separate classification.

e. Table of rates. All rates must be explicitly stated in cents or in dollars and cents, per 100 pounds, per mile, per hour, per ton of 2,000 pounds, per truck load (of stated amount) or other definable measure. Where rates are stated in amounts per package or bundle, definite specifications of the packages or bundles must be shown and ambiguous terms, rates, descriptions or plans for determining charges will not be accepted.

523.8(7) *Duplication.* Truck operators or their agents may not publish class or commodity rates which duplicate or conflict with rates published by or for account of such truck operators.

523.8(8) Rescinded, effective 5/2/84.

523.8(9) *Commodity rates.* Commodity rates on articles in stated truck load or in less-than-truck load quantities may be published, and where they differ from a published class rate basis, the lower rate shall take preference.

523.8(10) *Tariff changes.* All rates, charges and classifications which have been filed with the office of motor carrier services must be allowed to become effective and remain in effect for a period of at least seven days before being changed, canceled or withdrawn, unless otherwise authorized by the office of motor carrier services.

All tariffs, supplements and revised pages (including classifications) shall indicate changes from preceding issue by use of the following symbols:

or (R) to denote reductions

or (A) to denote increases

or (C) to denote changes, the result of which is neither an increase nor a reduction.

The proper symbol must be shown directly in connection with each change.

523.8(11) *Posting regulations.* Each truck operator must post and file at its principal place of business all of its tariffs and must also carry copies of these tariffs in every truck operated. All tariffs must be kept available for public inspection or examination at all reasonable times. It is not necessary that household goods tariff No. 14 or successive issues be carried in trucks.

523.8(12) *Application for special permission.* Truck operators and agents when making application for permission to establish rates, charges, classification ratings or tariff rules on less than statutory seven days' notice shall use the form prescribed by the office of motor carrier services.

523.8(13) *Powers of attorney and participation notices.*

a. Whenever a truck operator desires to give authority to an attorney and agent to issue and file tariffs and supplements thereto in its stead, a power of attorney in the form prescribed by the department must be used.

b. Whenever a truck operator desires to participate in tariffs issued and filed by another truck operator or its agent, a power of attorney using the form prescribed by the department shall be issued in favor of such other truck operator. This subrule shall apply only to single line operations.

c. The original of all powers of attorney shall be filed with the office of motor carrier services and a duplicate of the original sent to the agent or truck operator in whose favor the document is issued.

d. Whenever a truck operator desires to cancel the authority granted an agent or another truck operator by power of attorney, this may be done by a letter addressed to the department revoking the authority on 60 days' notice. For good cause, the department may authorize a lesser notice. Copies of the notice must also be mailed to all interested parties by the carrier.

This rule is intended to implement Iowa Code section 327.2.

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CHAPTER 524

Reserved

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